



---

## Role of Retailers and wholesalers

13 September 2016

# Agenda

---

- **Who is RCL Foods?**
- **Raw Materials used**
- **Factors affecting SUSTAINABILITY**





**WHO IS RCL FOODS ?**

# More food. To More people. More often

Vertically and horizontally intergrated company

Currently employs 20 000 employees!

Have 15m to 25m chickens on the ground at any given time

Consumer

Sugar & Milling

Logistics



90% KFC  
100% Woolies  
100% Hungry  
lion  
Rainbow  
Nola Mayonaise  
Yum yum,  
Amarhewu,  
Piemans etc

Selati Sugar  
Epol  
Molatek  
Supreme Floor  
Safari Braai pap

Vector logistics



# Berlin Feedmill

**Turnover of R32m to R52 m/month**  
**Produce 6800 to 8400 tons/month**  
**70% is on Raw Material costs**  
**We spend R30m on RM/month**  
**Use 240t/d or 9 trucks/d MAIZE**  
**Bought only 34 tons from EC**  
**R96k on maize from EC**

of



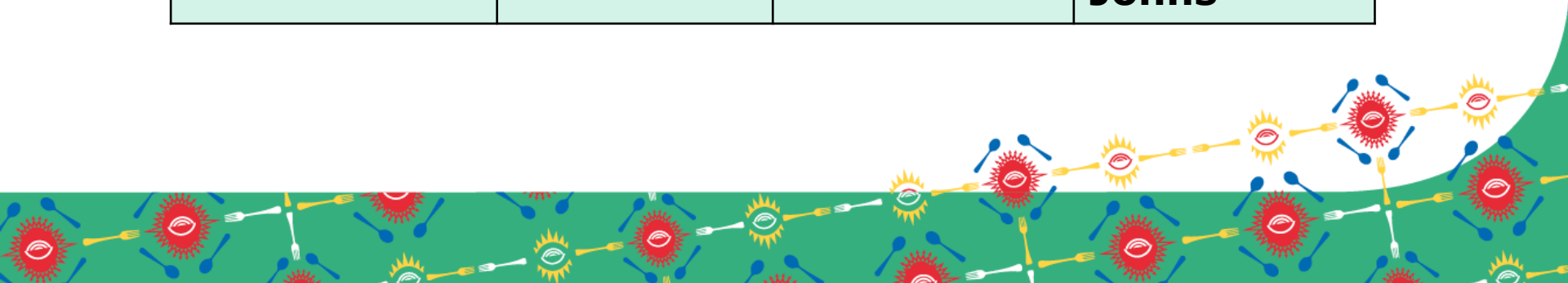


# RAW MATERIALS USED

---

# RAW MATERIALS USED PER ANNUM

<b>MAIZE</b>	<b>51000</b>	<b>FS/ELLIOT</b>	<b>ELLIOT</b>
<b>SOYA</b>	<b>12600</b>	<b>ARG/Bra</b>	<b>????</b>
<b>SUNFLOWER</b>	<b>4100</b>	<b>ARG/Bra</b>	<b>????</b>
<b>BRAN</b>	<b>7200</b>	<b>GP</b>	<b>EC??</b>
<b>LUCERNE</b>	<b>640</b>	<b>WC 940km</b>	<b>EC??</b>
<b>LIMESTONE</b>	<b>3400</b>	<b>WC 940km</b>	<b>Port St Johns</b>



# Why don't we buy from EC?

- 1. Sustainability of supply**
- 2. Quality and quantity requirements**
- 3. Quality product made from quality RM**







# **FACTORS AFFECTING SUSTAINABILITY**

---

# FACTORS AFFECTING SUSTAINABILITY

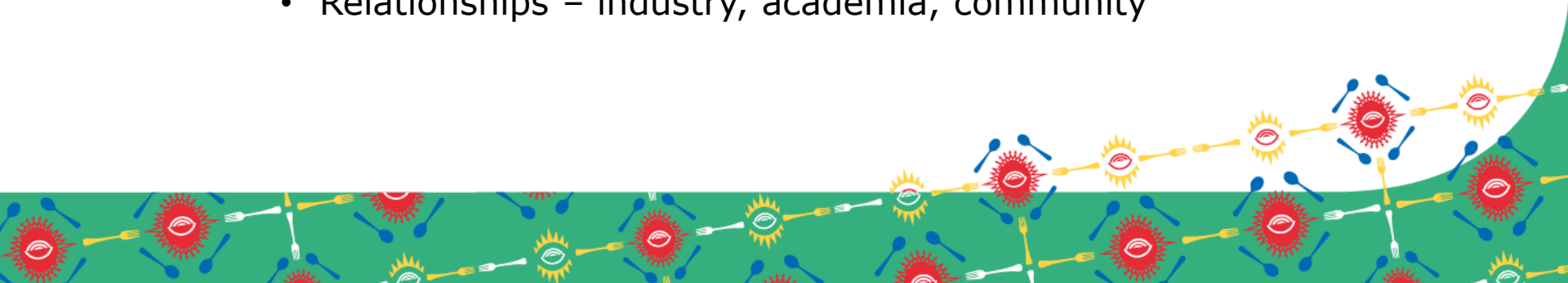
---

- 1. ECONOMIC FACTORS

- Profits – farmers are price takers. Know your drivers!
- Government policies – Grants and their use? Recapitalisation?  
Small and Medium enterprise development,  
BBBEE

- 2. SOCIAL FACTORS

- Land reform – support plan to keep transferred land productive
- Leadership succession – cooperation, competition, mentorship
- Relationships – industry, academia, community



# FACTORS AFFECTING SUSTAINABILITY

---

## SOCIAL FACTORS

### • 3. FARMER DEVELOPMENT

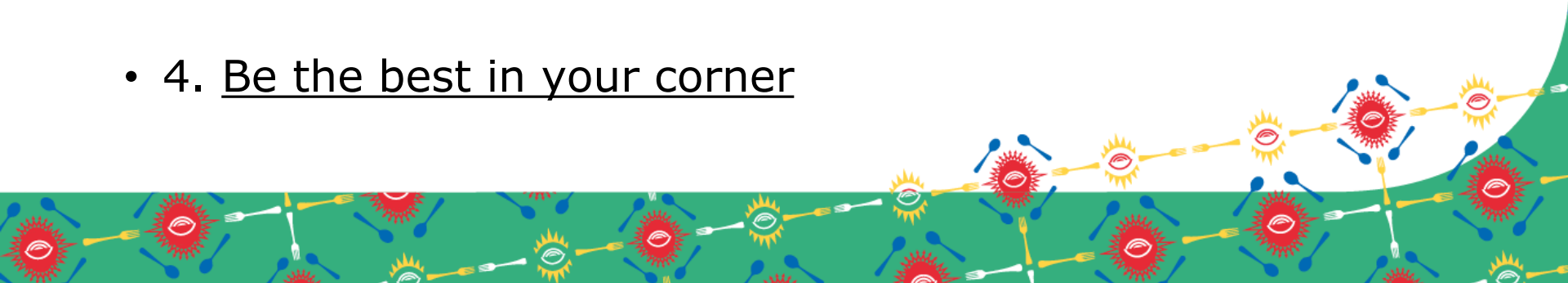
- History of SA taught us that we cannot leave skills transfer to the market
- Sustainable food production depends on constant farmer development
- New farmers learn from previous generation within family
- Step up from Subsistence farming to commercial farming requires special intervention
- Farmers must understand business principles



# How can we access the markets?

---

- 1. Know what your market is looking for!
  - Understand specifications
  - Delivery requirements
  - Market prices
- 2. Adjust your production to meet the market
  - Don't sell what you produce, but produce what you can sell
- 3. Commit to supply a specific market
  - Jack of all trades, master of NON!
- 4. Be the best in your corner





RAINBOW



CANINE CUISINE



Thank you

